

# MANUFACTURING EXTENSION PARTNERSHIP

## Success Stories from the Field

### Sioux Corporation

#### South Dakota Manufacturing Extension Partnership

#### Sioux Corporation Goes Lean

##### Client Profile:

Sioux Corporation is a 67-year-old, family-owned, manufacturer of custom and standard application-specific equipment in the fields of hot-pressure washers, steam cleaners, specialty water and fluid heating, industrial steam generators and related specialty equipment. Sioux is recognized as the world leader in this product line and offers custom packages used in offshore oil production, chemical and pharmaceutical plants, refineries, water treatment plants, manufacturing plants, surface and underground mining, and in numerous other applications where clean air is required. Sioux employs 40 people at its facility in Beresford, South Dakota. An approved supplier to the U.S. military and governmental agencies, Sioux exports approximately 25 percent of production to over 70 countries throughout the world.

##### Situation:

Sioux Corporation's plant and manufacturing software were designed for both custom engineered equipment and batch manufacturing. They had been optimizing operations for years and did not expect to see many significant further improvements. The company contacted the South Dakota Manufacturing Extension Partnership (SDMEP), a NIST MEP network affiliate, for help.

##### Solution:

SDMEP reviewed the process and established several teams to obtain input on present methods and other data. A plant flow diagram was created, and the team evaluated how production, information flow, and control could be simplified. A significant number of steps were eliminated. They developed a better method to determine which subassemblies to maintain in stock, and the optimum quantity of each, and set up "supermarkets." Building these stock units and subassemblies has helped to level out production during variations of incoming orders, which increased the sale of stock units, thereby increasing shipments. Improvements in plant layout eliminated key bottlenecks. In addition, lead times have improved, and they are tracking and improving performance indicators, as well as working on improving inventory turns for over 7,000 different part numbers.

##### Results:

- \* Increased sales by \$400,000.
- \* Retained sales.
- \* Achieved cost savings.

##### Testimonial:

"We accomplished more than I expected. It was definitely a great investment. The results were so good that we signed up for the South Dakota MEP Lean sales program, and we are seeing additional results from that project. I highly recommend both the Lean Manufacturing and Lean sales programs."

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Jack Finger, President /CEO